

OFFICIAL GAZETTE

GOVERNMENT OF GOA, DAMAN AND DIU

EXTRAORDINARY

GOVERNMENT OF GOA, DAMAN AND DIU

Law Department (Legal Advice)

Notification

10/12/82-LGL

The following Central Act, namely the Finance Act, 1982 (No. 14 of 1982) which was passed by the Parliament and assented to by the President of India on 11-5-1982 and published in the Gazette of India, Part II, Section I dated 11-5-1982 is hereby republished for general information of the public.

B. S. Subbanna, Under Secretary (Drafting).

Panaji, 20th October, 1982.

THE FINANCE ACT, 1982

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The Finance Act, 1982

AN

ACT

to give effect to the financial proposals of the Central Government for the financial year 1982-83.

Be it enacted by Parliament in the Thirty-third Year of the Republic of India as follows:—

CHAPTER I

Preliminary

1. **Short title and commencement.**— (1) This Act may be called the Finance Act, 1982.

(2) Sections 2 to 29, sections 31 to 42 and sections 55 to 57 shall, save as otherwise provided in this Act, be deemed to have come into force on the 1st day of April, 1982, and section 30 shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

CHAPTER II

Rates of Income-Tax

2. **Income-tax.**— (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1982, income-tax shall be charged at the rates specified in Part I of the First Schedule and shall be increased,—

(a) in the cases to which Paragraphs A, B, C and D of that Part apply, by a surcharge for purposes of the Union; and

(b) in the cases to which Paragraph E of that Part applies, by a surcharge, calculated in each case in the manner provided therein.

(2) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding six hundred rupees, in addition to total income, and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) (that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first eight thousand rupees,

of the total income but without being liable to tax), only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purpose of determining the amount of income-tax in accordance with this sub-clause, the provisions of clause (ii) of the proviso below Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of fifteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of eight thousand rupees,

and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if the net agricultural income as so increased were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purposes of determining the amount of income-tax in accordance with this sub-clause, the provisions of clause (ii) of the proviso below the said Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii):

Provided that in a case referred to in the said Sub-Paragraph II, where the sum so arrived at exceeds sixty per cent of the amount by which

the total income exceeds twelve thousand rupees, the excess shall be disregarded;

(iv) the amount of income-tax determined in accordance with sub-clause (iii) shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent of such income-tax and the sum so arrived at shall be the income-tax in respect of the total income.

(3) In cases to which the provisions of Chapter XII or section 164 or section 164A or section 167A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be. 43 of 1961

(4) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(5) Subject to the provisions of sub-section (6), in cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule.

Provided that in cases to which the provisions of Chapter XII or section 164 or section 164A or section 167A of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be.

(6) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding six hundred rupees, in addition to total income and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then, in calculating income-tax under the first proviso to sub-section (5) of section 132 of the Income-tax Act or in charging income-tax under sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or in computing

the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) (that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first eight thousand rupees, of the total income but without being liable to tax), only for the purpose of calculating, charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so calculated, charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purposes of determining the amount of income-tax or "advance tax" in accordance with this sub-clause, the provisions of clause (ii) of the proviso below the said Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of fifteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of eight thousand rupees,

and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Sub-Paragraph I or, as the case may be, the said Sub-Paragraph II, as if the net agricultural income as so increased were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purposes of determining the amount of income-tax or "advance tax" in accordance with this sub-clause, the provisions of clause (ii) of the proviso below the said Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii):

Provided that in a case referred to in the said Sub-Paragraph II, where the sum so arrived at

exceeds sixty per cent. of the amount by which the total income exceeds twelve thousand rupees, the excess shall be disregarded;

(iv) the amount of income-tax or "advance tax" determined in accordance with sub-clause (iii) shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax or, as the case may be, "advance tax" and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income.

(7) For the purposes of this section and the First Schedule, —

(a) "company in which the public are substantially interested" means a company which is such a company as is referred to in section 108 of the Income-tax Act;

(b) "domestic company" means an Indian company, or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1982, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of that Act;

(c) "industrial company" means a company which is mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining.

Explanation. — For the purposes of this clause, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining, if the income attributable to any one or more of the aforesaid activities included in its total income of the previous year (as computed before making any deduction under Chapter VIA of the Income-tax Act) is not less than fifty-one per cent of such total income;

(d) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(e) "net agricultural income", in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(f) "tax-free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(g) all other words and expressions used in this section or in the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

CHAPTER III

Direct Taxes

Income-tax

3. Amendment of section 6. — In section 6 of the Income-tax Act, in clause (1), with effect from the 1st day of April, 1983, —

(i) sub-clause (b) shall be omitted;

(ii) for the *Explanation*, the following *Explanation* shall be substituted, namely: —

Explanation. — In the case of an individual, being a citizen of India, —

(a) who leaves India in any previous year for the purposes of employment outside India, the provisions of sub-clause (c) shall apply in relation to that year as if for the words "sixty days", occurring therein, the words "one hundred and eighty-two days" had been substituted;

(b) who, being outside India, comes on a visit to India in any previous year, the provisions of sub-clause (c) shall apply in relation to that year as if for the words "sixty days", occurring therein, the words "ninety days" had been substituted.

4. Amendment of section 10. — In section 10 of the Income-tax Act, —

(a) for clause (4A), the following clause shall be substituted, namely: —

"(4A) in the case of a person resident outside India, any income from interest on moneys standing to his credit in a Non-resident (External) Account in any bank in India in accordance with the Foreign Exchange Regulation Act, 1973 and any rules made thereunder. 46 of 1973.

Explanation. — In this clause, "person resident outside India" shall have the meaning assigned to it in clause (q) of section 2 of the Foreign Exchange Regulation Act, 1973;"; 46 of 1973.

(b) after clause (4A), the following clause shall be inserted with effect from the 1st day of April, 1983, namely: —

"(4B) in the case of an individual, being a citizen of India or a person of Indian origin, who is a non-resident, any income from interest on such savings certificates issued by the Central Government as that Government may, by notification in the Official Gazette, specify in this behalf;

Provided that the individual has subscribed to such certificates in convertible foreign exchange remitted from a country outside India in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder. 46 of 1973.

Explanation. — For the purposes of this clause, —

(a) a person shall be deemed to be of Indian origin if he, or either of his parents or

any of his grand-parents, was born in undivided India;

(b) "convertible foreign exchange" means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973, and any rules made thereunder; 46 of 1973.

(c) after clause (10A), the following clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1978, namely:—

'(10AA) (i) any payment received by an employee of the Central Government or a State Government as the cash equivalent of the leave salary in respect of the period of earned leave at his credit at the time of his retirement on superannuation or otherwise;

(ii) any payment of the nature referred to in sub-clause (i) received by an employee, other than an employee of the Central Government or a State Government, in respect of so much of the period of earned leave at his credit at the time of his retirement on superannuation or otherwise as does not exceed six months, calculated on the basis of the average salary drawn by the employee during the period of ten months immediately preceding his retirement on superannuation or, otherwise, or thirty thousand rupees, whichever is less:

Provided that where any such payments are received by an employee from more than one employer in the same previous year, the aggregate amount exempt from income-tax under this sub-clause shall not exceed thirty thousand rupees:

Provided further that where any such payment or payments was or were received in any one or more earlier previous years also and the whole or any part of the amount of such payment or payments was or were not included in the total income of the assessee of such previous year or years, the amount exempt from income-tax under this sub-clause shall not exceed thirty thousand rupees, as reduced by the amount or, as the case may be, the aggregate amount not included in the total income of any such previous year or years:

Provided also that the Central Government may, having regard to the maximum amount which may for the time being be exempt under sub-clause (i), increase, by notification in the Official Gazette, the limit of thirty thousand rupees, for all the three purposes for which it has been mentioned in the foregoing provisions of this sub-clause, up to such maximum amount:

Provided also that in relation to an employee retiring on superannuation or otherwise before the 1st day of January, 1982, the proviso immediately preceding this proviso shall not apply and the remaining provisions of this sub-clause shall have effect as if for the words "thirty thousand rupees", at the three places where they occur, the words "twenty-five thousand five hundred rupees" had been substituted.

Explanation.—For the purposes of sub-clause (ii),—

(i) the entitlement to earned leave of an employee shall not exceed thirty days for every year of actual service rendered by him as an employee of the employer from whose service he has retired;

(ii) "salary" shall have the meaning assigned to it in clause (h) of rule 2 of Part A of the Fourth Schedule; ;

(d) in clause (15), after sub-clause (iia), the following sub-clause shall be inserted with effect from the 1st day of April, 1983, namely:—

"(iib) Interest on such Capital Investment Bonds as the Central Government may, by notification in the Official Gazette, specify in this behalf;".

5. Amendment of section 13.—In section 13 of the Income-tax Act,—

(a) in sub-section (1), in clause (d),—

(i) for the figures, letters and words "1st day of April, 1982", the figures, letters and words "1st day of April, 1983" shall be substituted;

(ii) for the figures, letters and words "1st day of April, 1981", the figures, letters and words "1st day of April, 1982" shall be substituted;

(b) in sub-section (5),—

(i) in clause (a), after sub-clause (i), the following sub-clause shall be inserted, namely:—

'(ia) investment in immovable property.

Explanation.—"Immovable property" does not include any machinery or plant even though attached to, or permanently fastened to anything attached to, the earth; ;

(ii) in clause (c), after the word, brackets and figure "sub-clause (i),", the words, brackets, figure and letter "sub-clause (ia)," shall be inserted.

6. Amendment of section 16.—In section 16 of the Income-tax Act, in clause (i), for the words "twenty per cent.", the words "twenty-five per cent" shall be substituted with effect from the 1st day of April, 1983.

7. Amendment of section 23.—In section 23 of the Income-tax Act, with effect from the 1st day of April, 1983.—

(a) in sub-section (1), the second proviso,—

(i) in clause (c), for the words, figures and letters "completed after the 31st day of March, 1978", the words, figures and letters "completed after the 31st day of March, 1978 but before the 1st day of April, 1982" shall be substituted;

(ii) for the words, brackets and letters "so, however, that the income in respect of any residential unit referred to in clause (a) or

clause (b) or clause (c) is in no case a loss.", the following shall be substituted, namely:—

"(d) in the case of a building comprising one or more residential units, the erection of which is completed after the 31st day of March, 1982, for a period of five years from the date of completion of the building, be reduced by a sum equal to the aggregate of—

(i) in respect of any residential unit whose annual value as so determined does not exceed three thousand six hundred rupees, the amount of such annual value;

(ii) in respect of any residential unit whose annual value as so determined exceeds three thousand six hundred rupees, an amount of three thousand six hundred rupees,

so, however, that the income in respect of any residential unit referred to in clause (a) or clause (b) or clause (c) or clause (d) is in no case a loss.";

(b) in sub-section (2), in clause (i), for the words "one thousand and eight hundred rupees", the words "three thousand six hundred rupees" shall be substituted.

8. Amendment of section 32A.—In section 32A of the Income-tax Act, in sub-section (2B), for the words, figures and letters "but before the 1st day of April, 1982", the words, figures and letters "but before the 1st day of April, 1987" shall be substituted.

9. Insertion of new section 35CCB.—In Income-tax Act, after section 35CCA, the following section shall be inserted with effect from the 1st day of June, 1982, namely:—

"35CCB. Expenditure by way of payment to associations and institutions for carrying out programmes of conservation of natural resources.—

(1) Where an assessee incurs any expenditure by way of payment of any sum to an association or institution, which has as its object the undertaking of any programme of conservation of natural resources, to be used for carrying out any programme of conservation of natural resources approved by the prescribed authority, the assessee shall, subject to the provisions of sub-section (2), be allowed a deduction of the amount of such expenditure incurred during the previous year.

(2) The deduction under sub-section (1) shall not be allowed with respect to expenditure by way of payment of any sum to any association or institution, unless such association or institution is for the time being approved in this behalf by the prescribed authority:

Provided that the prescribed authority shall not grant such approval for more than three years at a time.

(3) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure referred to in sub-section (1), deduction shall not be allowed in respect of such expenditure under any other provision of this Act for the same or any other assessment year."

10. Amendment of section 36.—In section 36 of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 1983,—

(a) in clause (viii),—

(i) in the opening portion, for the words "scheduled bank", the words "scheduled bank or a non-scheduled bank" shall be substituted;

(ii) in the *Explanation*,—

(1) clause (i) shall be renumbered as clause (ia) and before clause (ia) as so renumbered, the following clause shall be inserted, namely:—

"(i) "non-scheduled bank" means a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 10 of 1949 which is not a scheduled bank;"

(2) in clause (ia) as so renumbered, for the words "scheduled bank", the words "scheduled bank or a non-scheduled bank" shall be substituted;

(b) after clause (viii), the following clause shall be inserted, namely:—

"(viii) in respect of any special reserve created by a scheduled bank (other than a bank incorporated by or under the laws of a country outside India) which is engaged in banking operations outside India, an amount not exceeding forty per cent. of the total income (computed before making any deduction under Chapter VIA) carried to such reserve account:

Provided that, having regard to its capital structure, the extent of its banking operations outside India, its need for resources for such operations outside India and other relevant factors, the bank is, for the time being, approved by the Central Government for the purposes of this clause.

Explanation.—For the purposes of this clause, "scheduled bank" has the same meaning as in clause (ii) of the *Explanation* to clause (viii);".

11. Amendment of section 54.—In section 54 of the Income-tax Act, with effect from the 1st day of April, 1983,—

(a) in sub-section (1),—

(i) for the portion beginning with the words "Where a capital gain arises from the transfer of a capital asset" and ending with the words "a house property for the purposes of his own residence, then", the following shall be substituted, namely:—

"Where, in the case of an assessee being an individual, the capital gain arises from the transfer of a long-term capital asset to which the provisions of section 53 are not applicable, being buildings or lands appurtenant thereto, and being a residential house, the income of which is chargeable under the head "Income from house property" (hereafter in this section referred to as the original asset), and the assessee has within a period of one year before or after the date on which the transfer

took place purchased, or has within a period of three years after that date constructed, a residential house, then';

(ii) in clause (i), for the words "the house property", the words "the residential house" shall be substituted;

(iii) the following *Explanation* shall be inserted at the end, namely:—

Explanation.—For the purposes of this sub-section, "long-term capital asset" means a capital asset which is not a short-term capital asset';

(b) in sub-section (2), for the words "or has within a period of two years after that date constructed, a house property for the purposes of his own residence", the words "or has within a period of three years after that date constructed, a residential house" shall be substituted.

12. Insertion of new section 54F. — In the Income-tax Act, after section 54E, the following section shall be inserted with effect from the 1st day of April, 1983, namely:—

54F. Capital gain on transfer of certain capital assets not to be charged in case of investment in residential house. — (1) Where, in the case of an assessee being an individual, the capital gain arises from the transfer of any long-term capital asset, not being a residential house (hereafter in this section referred to as the original asset), and the assessee has, within a period of one year before or after the date on which the transfer took place purchased, or has within a period of three years after that date constructed, a residential house (hereafter in this section referred to as the new asset), the capital gain shall be dealt with in accordance with the following provisions of this section, that is to say, —

(a) if the cost of the new asset is not less than the net consideration in respect of the original asset, the whole of such capital gain shall not be charged under section 45;

(b) if the cost of the new asset is less than the net consideration in respect of the original asset, so much of the capital gain as bears to the whole of the capital gain the same proportion as the cost of the new asset bears to the net consideration, shall not be charged under section 45:

Provided that nothing contained in this sub-section shall apply where the assessee owns on the date of the transfer of the original asset, or purchases, within the period of one year after such date, or constructs, within the period of three years after such date, any residential house, the income from which is chargeable under the head "Income from house property", other than the new asset.

Explanation.—For the purposes of this section, —

(i) "long-term capital asset" means a capital asset which is not a short-term capital asset;

(ii) "net consideration", in relation to the transfer of a capital asset, means the full value

of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

(2) Where the assessee purchases, within the period of one year after the date of the transfer of the original asset, or constructs, within the period of three years after such date, any residential house, the income from which is chargeable under the head "Income from house property", other than the new asset, the amount of capital gain arising from the transfer of the original asset not charged under section 45 on the basis of the cost of such new asset as provided in clause (a), or, as the case may be, clause (b), of sub-section (1), shall be deemed to be income chargeable under the head "Capital gains" relating to long-term capital assets of the previous year in which such residential house is purchased or constructed.

(3) Where the new asset is transferred within a period of three years from the date of its purchase or, as the case may be, its construction, the amount of capital gain arising from the transfer of the original asset not charged under section 45 on the basis of the cost of such new asset as provided in clause (a) or, as the case may be, clause (b), of sub-section (1) shall be deemed to be income chargeable under the head "Capital gains" relating to long-term capital assets of the previous year in which such new asset is transferred.

13. Amendment of section 80C. — In section 80C of the Income-tax Act, with effect from the 1st day of April, 1983, —

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) In computing the total income of an assessee, there shall be deducted, in accordance with and subject to the provisions of this section, an amount calculated, with reference to the aggregate of the sums specified in sub-section (2), at the following rates, namely:—

(a) where such aggregate does not exceed Rs. 6,000.	The whole of such aggregate;
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(b) where such aggregate exceeds Rs. 6,000 but does not exceed Rs. 12,000.	Rs. 6,000 plus 50 per cent. of the amount by which such aggregate exceeds Rs. 6,000;
--	--

(c) where such aggregate exceeds Rs. 12,000.	Rs. 9,000 plus 40 per cent. of the amount by which such aggregate exceeds Rs. 12,000.";
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(b) in sub-section (2), after clause (g), the following clause shall be inserted, namely:—

"(h) where the assessee is an individual or a Hindu undivided family or an association of persons or a body of individuals consisting only of husband and wife governed by the system of community of property in force in the Union territories of Dadra and Nagar Haveli and Goa, Daman and Diu, any sums paid in the previous year by the assessee out of his or its income chargeable to tax, as subscription to any such

security of the Central Government as that Government may, by notification in the Official Gazette, specify in this behalf.”;

(c) in sub-section (4), in clause (ii), clause (iii) and clause (iv), for the words “thirty thousand rupees”, the words “forty thousand rupees” shall be substituted;

(d) after sub-section (5) and the *Explanation* thereto, the following sub-section and *Explanations* shall be inserted, namely:—

“(6) If the assessee, being—

(a) an individual, has effected or kept in force an insurance on the life of the assessee or on the life of the wife or husband or any child of the assessee; or

(b) a Hindu undivided family, has effected or kept in force an insurance on the life of any member of the family; or

(c) an association of persons or a body of individuals referred to in clause (g) of sub-section (2), has effected or kept in force an insurance on the life of any member of such association or body or on the life of any child of any of the members of such association or body,

terminates the contract of insurance (by notice to that effect or where the contract ceases to be in force by reason of failure to pay any premiums, by not reviving the contract of insurance) before premiums have been paid for two years, then—

(i) no deduction shall be allowed to the assessee under this section in respect of the premiums, if any, paid in the previous year in which the policy is so terminated; and

(ii) the deduction allowed in respect of the premiums paid in the previous year or years preceding the previous year referred to in clause (i) shall be deemed to be the income of the assessee of such previous year or years and shall be chargeable to tax accordingly.

Explanation 1.—For the purposes of this sub-section, the deduction allowed under this section in respect of the premiums paid in any previous year shall be the amount by which the deduction allowed under this section for that year exceeds the deduction which would have been allowed for that year if no such premiums had been paid during that year.

Explanation 2.—In a case where an assessee terminates his participation in the Unit-linked Insurance Plan in any previous year and also terminates a contract of insurance in that year, the deduction allowed under this section in respect of the contribution or premiums paid in any previous year shall, for the purposes of the *Explanation* to sub-section (5) and *Explanation 1*, be the amount by which the deduction allowed under this section for that year exceeds the deduction which would have been allowed for that year if no such contribution or premiums had been paid during that year.”.

14. Amendment of section 80CC.—In section 80CC of the Income-tax Act, in sub-section (2), for the

words “ten thousand rupees”, at both the places where they occur, the words “twenty thousand rupees” shall be substituted with effect from the 1st day of April, 1983.

15. Amendment of section 80G.—In section 80G of the Income-tax Act, in sub-section (2), in clause (a), after sub-clause (iia), the following sub-clause shall be inserted with effect from the 1st day of April, 1983, namely:—

“(iib) the National Children's Fund; or”.

16. Amendment of section 80GG.—In section 80GG of the Income-tax Act, in the opening portion, for the words “three hundred rupees”, the words “four hundred rupees” shall be substituted with effect from the 1st day of April, 1983.

17. Amendment of section 80GGA.—In section 80GGA of the Income-tax Act, in sub-section (2), after clause (b), the following clause shall be inserted with effect from the 1st day of June, 1982, namely:

“(c) any sum paid by the assessee in the previous year to an association or institution, which has as its object the undertaking of any programme of conservation of natural resources, to be used for carrying out any programme of conservation of natural resources approved for the purposes of section 35CCB:

Provided that the association or institution is for the time being approved for the purposes of sub-section (2) of section 35CCB.”.

18. Insertion of new section 80HHB.—In the Income-tax Act, after section 80HHA, the following section shall be inserted with effect from the 1st day of April, 1983, namely:—

‘80HHB. Deduction in respect of profits and gains from projects outside India.—(1) Where the gross total income of an assessee being an Indian company or a person (other than a company) who is resident in India includes any profits and gains derived from the business of—

(a) the execution of a foreign project undertaken by the assessee in pursuance of a contract entered into by him, or

(b) the execution of any work undertaken by him and forming part of a foreign project undertaken by any other person in pursuance of a contract entered into by such other person,

with the Government of a foreign State or any statutory or other public authority or agency in a foreign State, or a foreign enterprise, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction from such profits and gains of an amount equal to twenty-five per cent. thereof:

Provided that the consideration for the execution of such project or, as the case may be, of such work is payable in convertible foreign exchange.

(2) For the purposes of this section,—

(a) “convertible foreign exchange” means foreign exchange which is

for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973, and any rules made thereunder; 46 of 1973.

(b) "foreign project" means a project for—

(i) the construction of any building, road, dam, bridge or other structure outside India;

(ii) the assembly or installation of any machinery or plant outside India;

(iii) the execution of such other work (of whatever nature) as may be prescribed.

(3) The deduction under this section shall be allowed only if the following conditions are fulfilled, namely:—

(i) the assessee maintains separate accounts in respect of the profits and gains derived from the business of the execution of the foreign project, or, as the case may be, of the work forming part of the foreign project undertaken by him and, where the assessee is a person other than an Indian company or a cooperative society, such accounts have been audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288 and the assessee furnishes, along with his return of income, the report of such audit in the prescribed form duly signed and verified by such accountant;

(ii) an amount equal to twenty-five per cent. of the profits and gains referred to in sub-section (1) is debited to the profit and loss account of the previous year in respect of which the deduction under this section is to be allowed and credited to a reserve account (to be called the "Foreign Projects Reserve Account") to be utilised by the assessee during a period of five years next following for the purposes of his business other than for distribution by way of dividends of profits;

(iii) an amount equal to twenty-five per cent. of the profits and gains referred to in sub-section (1) is brought by the assessee in convertible foreign exchange into India, in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder, within a period of six months from the end of the previous year referred to in clause (ii) or, where the Commissioner is satisfied (for reasons to be recorded in writing) that the assessee is, for reasons beyond his control, unable to do so within the said period of six months, within such further period as the Commissioner may allow in this behalf; 46 of 1973.

Provided that where the amount credited by the assessee to the Foreign Projects Reserve Account in pursuance of clause (ii) or the amount brought into India by the assessee in pursuance of clause (iii) or each of the said amounts is less than twenty-five per cent. of the profits and gains referred to in sub-section

(1), the deduction under that sub-section shall be limited to the amount so credited in pursuance of clause (ii) or the amount so brought into India in pursuance of clause (iii), whichever is less.

(4) If at any time before the expiry of five years from the end of the previous year in which the deduction under sub-section (1) is allowed, the assessee utilises the amount credited to the Foreign Projects Reserve Account for distribution by way of dividends or profits or for any other purpose which is not a purpose of the business of the assessee, the deduction originally allowed under sub-section (1) shall be deemed to have been wrongly allowed, and the Income-tax Officer may, notwithstanding anything contained in this Act, re-compute the total income of the assessee for the relevant previous year and make the necessary amendment; and the provisions of section 154 shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the end of the previous year in which the money was so utilised.

(5) Notwithstanding anything contained in any other provision of this Chapter under the heading "C—Deductions in respect of certain incomes", no part of the consideration or of the income comprised in the consideration payable to the assessee for the execution of a foreign project referred to in clause (a) of sub-section (1) or of any work referred to in clause (b) of that sub-section shall qualify for deduction for any assessment year under any such other provision.

19. Amendment of section 80L.—In section 80L of the Income-tax Act, in sub-section (1), for the portion beginning with the words "a deduction as specified hereunder" and ending with the words "in any other case, three thousand rupees", the following shall be substituted with effect from the 1st day of April, 1983, namely:—

"a deduction as specified hereunder, namely:—

(1) in a case where the amount of such income does not exceed in the aggregate four thousand rupees, the whole of such amount; and

(2) in any other case, four thousand rupees:

Provided that where the gross total income of the assessee includes any income by way of interest on any security referred to in clause (i) or interest on any deposits referred to in clause (vi) (being deposits for a period of one year or more), there shall be allowed in computing the total income of the assessee a further deduction of an amount equal to so much of the income by way of such interest as has not been allowed by way of deduction under the foregoing provisions of this sub-section; so, however, that the amount of such further deduction shall not exceed two thousand rupees."

20. Amendment of section 80M.—In section 80M of the Income-tax Act, in sub-section (1), in clause (a), for the figures and word "27, 29 and 33", the figures and word "27, 28, 29, 30 and 33" shall be substituted with effect from the 1st day of April, 1983.

21. Amendment of section 80T.—In section 80T of the Income-tax Act, for clause (b), the following clause shall be substituted with effect from the 1st day of April, 1983, namely:—

“(b) in any other case, five thousand rupees as increased by a sum calculated—

(A) at such of the rates specified in column (2) in the Twelfth Schedule as is applicable, with reference to the amount by which the long-term capital gains relating to capital assets, being buildings or lands or any rights in buildings or lands, exceed five thousand rupees;

(B) at such of the rates specified in column (3) in the Twelfth Schedule as is applicable, with reference to the amount by which the long-term capital gains relating to any other capital assets exceed five thousand rupees:

Provided that where the long-term capital gains relate to—

(i) buildings or lands or any rights in buildings or lands;

(ii) gold, bullion or jewellery; and

(iii) any other capital asset,

or to any two of the categories of capital assets mentioned in the foregoing clauses of this proviso (the assets falling under each clause being treated as a separate category), the deduction of five thousand rupees referred to in this clause shall be allowed in the following order, namely:—

(1) the deduction shall first be allowed against long-term capital gains relating to the assets mentioned in clause (i);

(2) next, where the amount of the long-term capital gains relating to the assets mentioned in clause (i) is less than five thousand rupees, a deduction equal to the amount of the difference between five thousand rupees and such capital gains shall be allowed against the long-term capital gains relating to the assets mentioned in clause (ii); and

(3) thereafter, the balance, if any, of the said five thousand rupees shall be allowed as a deduction against the long-term capital gains relating to the assets mentioned in clause (iii),

and the provisions of sub-clause (A) and sub-clause (B) of this clause shall apply as if the references to five thousand rupees therein were references to the amount of deduction allowed in accordance with clauses (1), (2) and (3) of this proviso:

Provided further that the aggregate amount of deduction under this section in relation to assets mentioned in clause (ii) of the preceding proviso shall, in no case, exceed fifty thousand rupees.”

22. Insertion of new section 89A.—In Chapter VIII of the Income-tax Act, after section 89, the

following section shall be inserted with effect from the 1st day of June, 1982, namely:—

‘89A. Tax relief in relation to export turnover.—

(1) Where the export turnover of an assessee, being—

(a) an Indian company, or

(b) a person (other than a company) who is resident in India,

during any previous year relevant to an assessment year in relation to which this section applies, exceeds by more than ten per cent. his export turnover during the corresponding base year, the assessee shall be entitled to a deduction from the amount of income-tax otherwise payable for that assessment year of an amount calculated at the rate specified under sub-section (3) on the amount of such excess.

Explanation.—For the purposes of this sub-section,—

(a) “corresponding base year” in relation to any previous year, means the previous year immediately preceding that previous year;

(b) “export turnover” means the sale proceeds of any goods or merchandise specified under sub-section (3) exported out of India, but does not include freight or insurance attributable to the transport of the goods or merchandise beyond the customs station as defined in the Customs Act, 1962.

52 of 1962.

(2) This section applies in relation to the assessment year commencing on the 1st day of April, 1983 and the four assessment years next following that year.

(3) The goods or merchandise referred to in the *Explanation* to sub-section (1) (including the destination of their export) and the rate at which the amount of deduction under that sub-section shall be calculated, shall be such as may be specified by the Central Government in this behalf by notification in the Official Gazette.

(4) in specifying under sub-section (3) any goods or merchandise (including the destination of their export) and the rate at which the amount of deduction under sub-section (1) is to be calculated, the Central Government shall have regard to the following factors, namely:—

(a) the cost of manufacture or production of such goods or merchandise and prices of similar goods or merchandise in the foreign markets;

(b) the need to develop foreign markets for such goods or merchandise;

(c) the need to earn foreign exchange;

(d) any other relevant factor.

(5) The deduction under sub-section (1) for any assessment year shall not exceed ten per cent. of the amount of income-tax otherwise payable by the assessee for that assessment year on the amount of profits and gains derived from the export of such goods or merchandise out of India.

Explanation.—For the purposes of this sub-section, the amount of income-tax otherwise payable by the assessee for an assessment year on the profits and gains derived from the export of such goods or merchandise out of India shall be —

(a) in a case where the total income for that assessment year consists only of such profits and gains, the amount of income-tax chargeable (without any deduction under this section) on the total income;

(b) in a case where the total income for that assessment year includes any other income, the amount which bears to the income-tax chargeable (without any deduction under this section) on the total income the same proportion as the amount of such profits and gains bears to the total income.

(6) For the purposes of sub-section (5), the amount of profits and gains derived from the export of any goods or merchandise out of India shall be computed in accordance with the rules made by the Board in this behalf.

23. Amendment of section 155.—In section 155 of the Income-tax Act, with effect from the 1st day of April, 1983, —

(a) in sub-section (8), for the words within two years from that date constructs, a house property for the purpose of his own residence", the words "within three years from that date constructs a residential house" shall be substituted;

(b) in sub section (8A), for the words "within a period of two years after that date, a house property for the purposes of his own residence", the words "within a period of three years after that date, a residential house" shall be substituted;

(c) after sub-section (10B), the following sub-section shall be inserted, namely:—

"(10C) Where in the assessment for any year a capital gain arising from the transfer of any such capital asset as is referred to in section 54F is charged to tax and within a period of one year after the date of the transfer the assessee purchases, or within three years from that date constructs, a residential house, the Income-tax Officer shall amend the order of assessment so as to exclude the amount of the capital gain not chargeable to tax under the provisions of sub-section (1) of section 54F, and the provisions of section 154 shall, so far as may be, apply thereto, the period of four years specified in sub-section (7) of that section being reckoned from the date of the assessment."

24. Amendment of section 193.—In section 193 of the Income-tax Act, in the proviso, after clause (iii), the following clause shall be inserted with effect from the 1st day of June, 1982, namely:—

"(iv) any interest payable on such securities of the Central Government or a State Government, to such class of persons, and subject to such conditions, as the Central Government may, by notification in the Official Gazette, specify in this behalf;"

25. Amendment of section 194C.—In section 194C of the Income-tax Act, in sub-section (3), in clause (i), for the words "five thousand rupees", the words "ten thousand rupees" shall be substituted with effect from the 1st day of June, 1982.

26. Insertion of new section 197A.—In the Income-tax Act, after section 197 the following section shall be inserted with effect from the 1st day of June 1982, namely:—

"197A. No deduction to be made in certain cases.

(1) Notwithstanding anything contained in section 193 or section 194 or section 194A, no deduction of tax shall be made under any of the said sections in the case of an individual, who is resident in India, if such individual furnishes to the person responsible for paying any income of the nature referred to in section 193 or section 194 or, as the case may be, section 194A, a declaration in writing in duplicate in the prescribed form and verified in the prescribed manner to the effect that his estimated total income of the previous year in which such income is to be included in computing his total income will be less than the minimum liable to income-tax.

(2) The person responsible for paying any income of the nature referred to in sub-section (1) shall deliver or cause to be delivered to the Commissioner one copy of the declaration referred to in sub-section (1) on or before the seventh day of the month next following the month in which the declaration is furnished to him."

27. Amendment of section 245B.—in section 245B of the Income-tax Act, after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in sub-section (2), when the post of one of the other members of the Settlement Commission is vacant for any reason, the Chairman and the other member of the Settlement Commission may function as, and exercise and discharge the powers and functions of, the Settlement Commission under this Chapter:

Provided that if in any case the Chairman and member so functioning differ on any point or points, they shall state the point or points on which they differ and refer the same, as soon as may be after the said vacancy is filled, to the member appointed to fill the vacancy for hearing on such point or points and such point or points shall be decided according to his opinion."

28. Amendment of section 245D.—In section 245D of the Income-tax Act, in sub-section (5), for the words "The materials brought on record", the words, brackets, figures and letters "Subject to the provisions of sub-section (2A) of section 245B, the materials brought on record" shall be substituted.

29. Amendment of section 272A.—In section 272A of the Income-tax Act, with effect from the 1st day of June, 1982,—

(a) in sub-section (2), after clause (b), the following clause shall be inserted, namely:—

"(ba) to deliver or cause to be delivered in due time a copy of the declaration mentioned in section 197A; or";

(b) in sub-section (3), —

(i) in clause (a), the word “and” occurring at the end shall be omitted;

(ii) after clause (a), the following clause shall be inserted, namely: —

“(aa) in a case falling under clause (ba) of sub-section (2), by the Commissioner; and”.

30. Amendment of section 279. — In section 279 of the Income-tax Act, in sub-section (1), after the word, figures and letter “section 276A,” the word, figures and letters “section 276AA,” shall be inserted.

31. Insertion of new Twelfth Schedule. — In the Income-tax Act, after the Eleventh Schedule, the following Schedule shall be inserted with effect from the 1st day of April, 1983, namely: —

“THE TWELFTH SCHEDULE

[See section 80T(b)]

The deduction in respect of long-term capital gains referred to in section 80T shall be allowed on the basis indicated hereunder, namely: —

(1)	Rate as percentage of the amount with reference to which the deductions is to be calculated under section 80T	
	(2)	(3)
	Where the capital gains relate to buildings or lands or any rights therein	Where the capital gains relate to any other capital assets
Where the capital asset has been held by the assessee for —		
more than three years, but not more than five years;	25%	40%
more than five years but not more than ten years;	28%	45%
more than ten years but not more than fifteen years;	33%	50%
more than fifteen years but not more than twenty years;	37%	55%
more than twenty years.	40%	60%”.

32. Consequential amendments to certain sections. — The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act with effect from the 1st day of April, 1983, namely: —

(i) in sub-section (1) of section 45, for the figures, letters and word “54D and 54E”, the figures, letters and word “54D, 54E and 54F” shall be substituted;

(ii) in sub-section (3) of section 80A, after the words, figures and letters “or section 80HHA”, the words, figures and letters “or section 80HHB” shall be inserted;

(iii) in sub-section (3) of section 80P, —

(a) after the words, figures and letters “or section 80HHA”, the words, figures and letters “or section 80HHB” shall be inserted;

(b) after the word, figures and letters “section 80HHA,” the word, figures and letters “section 80HHB.” shall be inserted;

(iv) in sub-section (1A) of section 139, in clause (c), for the words “three thousand rupees”, the words “the maximum amount allowable as deduction in his case under that section” shall be substituted.

Wealth-tax

33. Amendment of section 2. — In the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), in section 2, in clause (e), in sub-clause (2), with effect from the 1st day of April, 1983, —

(a) in the first proviso, for the words “or any subsequent assessment year”, the words, figures and letters “and the assessment year commencing on the 1st day of April, 1982” shall be substituted;

(b) in the second proviso, for the words “Provided further that”, the words “Provided also that” shall be substituted, and before the second proviso as so amended, the following proviso shall be inserted, namely: —

‘Provided further that in relation to the assessment year commencing on the 1st day of April, 1983 or any subsequent assessment year, this sub-clause shall have effect subject to the modification that for item (i) thereof, the following item shall be substituted, namely: —

“(i) (a) agricultural land and growing crops (including fruits on trees), grass or standing trees on such land;

(b) one building or one group of buildings owned or occupied by a cultivator of, or receiver of rent or revenue out of, agricultural land:

Provided that such building or group of buildings is on or in the immediate vicinity of the land and is a building which the cultivator or the receiver of rent or revenue by reason of his connection with the land requires as store-house or for keeping livestock;

(c) animals;”.

34. Amendment of section 5. — In section 5 of the Wealth-tax Act, with effect from the 1st day of April, 1983, —

(a) in sub-section (1), —

(i) clauses (iva) and (ivb) shall be omitted;

(ii) in clause (viii), in the second proviso, for the words “thirty thousand rupees”, the words “seventy-five thousand rupees” shall be substituted;

(iii) clauses (viii a) and (viii b) shall be omitted;

(iv) in clause (x), for the words "twenty thousand rupees", the words "fifty thousand rupees" shall be substituted;

(v) after clause (xiv b), the following clauses shall be inserted, namely:—

'(xv c) in the case of an individual, being a citizen of India or a person of Indian origin, who is not resident in India during the year ending on the valuation date, any such savings certificates issued by the Central Government as that Government may, by notification in the Official Gazette specify in this behalf:

Provided that the individual has subscribed to such certificates in convertible foreign exchange remitted from a country outside India in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder. 46 of 1973.

Explanation.—For the purposes of this clause,—

(a) a person shall be deemed to be of Indian origin if he or either of his parents or any of his grand-parents was born in undivided India;

(b) an individual shall be deemed to be not resident in India during the year ending on the valuation date if in respect of that year the individual is not resident in India within the meaning of the Income-tax Act;

(c) "convertible foreign exchange" means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973, and any rules made thereunder; 46 of 1973.

(xv d) such Capital Investment Bonds as the Central Government may, by notification in the Official Gazette, specify in this behalf; ;

(b) in sub-section (1A),—

(i) for the words, brackets, figures and letter "in clauses (iv a), (xv)", the words, brackets and figures "in clauses (xv)" shall be substituted;

(ii) for the words "one hundred and fifty thousand rupees", at both the places where they occur, the words "one hundred and sixty-five thousand rupees" shall be substituted;

(c) in sub-section (3),—

(i) in the opening portion, for the words, brackets and figures "in clauses (xv), (xvi)", the words, brackets, figures and letter "in clauses (xv), (xvi), (xv d)" shall be substituted;

(ii) in clause (a), the word "and" occurring at the end shall be omitted;

(iii) after clause (a) as so amended, the following clause shall be inserted, namely:—

"(aa) in the case of Capital Investment Bonds referred to in clause (xv d) of sub-section (1), from the date on which the Bonds were subscribed to by the assessee, or for a period of at least six months ending with the relevant valuation date, whichever is shorter; and";

(iv) in the *Explanation*, after the word, brackets and letter "clause (a)", the words, brackets and letters "or clause (aa)" shall be inserted.

35. Amendment of section 6. — In section 6 of the Wealth-tax Act, after *Explanation 1*, the following *Explanation* shall be inserted, namely:—

"*Explanation 1A.*—Where in the case of an individual the value of an asset in India is represented by any debt owing to him, being any moneys to his credit in a Non-resident (External) Account, the interest payable on which is not to be included in his total income under clause (4A) of section 10 of the Income-tax Act, the provisions of this section shall, in relation to such asset, apply subject to the modification that the reference in this section to an individual not resident in India shall be construed as a reference to a person resident outside India as defined in clause (q) of section 2 of the Foreign Exchange Regulation Act, 1973." 46 of 1973.

36. Amendment of section 22B. — In section 22B of the Wealth-tax Act, after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in sub-section (2), when the post of one of the other members of the Settlement Commission is vacant for any reason, the Chairman and the other member of the Settlement Commission may function as, and exercise and discharge the powers and functions of, the Settlement Commission under this Chapter:

Provided that if in any case the Chairman and member so functioning differ on any point or points, they shall state the point or points on which they differ and refer the same, as soon as may be after the said vacancy is filled, to the member appointed to fill the vacancy for hearing on such point or points and such point or points shall be decided according to his opinion."

37. Amendment of section 22D. — In section 22D of the Wealth-tax Act, in sub-section (5), for the words "The materials brought on record", the words, brackets, figures and letters "Subject to the provisions of sub-section (2A) of section 22B, the materials brought on record" shall be substituted.

Gift-tax

38. Amendment of section 5. — In section 5 of the Gift-tax Act, 1958 (hereinafter referred to as the Gift-tax Act), in 18 of 1958.

sub-section (1), with effect from the 1st day of April, 1983, —

(a) after clause (iia), the following clauses shall be inserted, namely: —

“(iib) being a person resident outside India, out of the moneys standing to his credit in a Non-resident (External) Account in any bank in India in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder. 46 of 1973.

Explanation. — For the purposes of this clause, “person resident outside India” has the meaning assigned to it in clause (q) of section 2 of the Foreign Exchange Regulation Act, 1973; 46 of 1973.

“(iic) being a citizen of India, or a person of Indian origin, who is not resident in India, to any relative of such person in India, of convertible foreign exchange remitted from a country outside India in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder. 46 of 1973.

Explanation. — For the purposes of this clause and clause (iid), —

(a) a person shall be deemed to be of Indian origin if he or either of his parents or any of his grand-parents was born in undivided India;

(b) “convertible foreign exchange” means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder; 46 of 1973.

(c) “relative” has the meaning assigned to it in clause (41) of section 2 of the Income-tax Act;

(d) “resident in India” shall have the meaning assigned to it in the Income-tax Act;

“(iid) being a citizen of India or a person of Indian origin, who is not resident in India, to any relative of such person in India of property in the form of savings certificates issued by the Central Government, which that Government may, by notification in the Official Gazette, specify in this behalf:

Provided that such person has subscribed to such certificates in convertible foreign exchange remitted from a country outside India in accordance with the provisions of the Foreign Exchange Regulation Act, 1973 and any rules made thereunder; 46 of 1973.

(b) after clause (iib), the following clause shall be inserted, namely: —

“(iic) of property in the form of such Capital Investment Bonds as the Central Govern-

ment may, by notification in the Official Gazette, specify in this behalf subject to a maximum of rupees ten lakhs in value in the aggregate in one or more previous years:

Provided that the exemption conferred by this clause shall be available only to a person who has initially subscribed to the said Bonds;”.

39. Substitution of new section for section 18A. — In the Gift-tax Act, for section 18A, the following section shall be substituted with effect from the 1st day of April, 1983, namely: —

“18A. Credit for stamp duty paid on instrument of gift. — Where any stamp duty has been paid under any law relating to stamp duty in force in any State on an instrument of gift of property, the assessee shall be entitled to a deduction from the gift-tax payable by him of an amount equal to the stamp duty so paid or one-half of the gift-tax payable, before making the deduction under this section, whichever is less.”.

Interest-tax

40. Amendment of Act 45 of 1974. — In section 2 of the Interest-tax Act, 1974, in clause (7), after sub-clause (iii), the following sub-clauses shall be inserted with effect from the 1st day of April, 1983, namely: —

“(iv) interest on any deferred credit (that is to say, credit on the terms that the payment is to be deferred) sanctioned by a scheduled bank in connection with the export of capital plant and machinery outside India;

(v) interest on any loan in foreign currency sanctioned by any corporation or bank referred to in sub-clause (a) or sub-clause (b) or sub-clause (c) or sub-clause (d) of clause (9) for the import of capital plant and machinery from a country outside India;”.

Hotel-receipts tax

41 Amendment of section 6. — In section 6 of the Hotel-Receipts Tax Act, 1980 (hereinafter referred to as the Hotel-Receipts Tax Act), in sub-section (1), after the words “including such charges from persons not provided with such accommodation”, the words and figures “but excluding such charges from persons within the purview of the Vienna Convention on Diplomatic Relations, 1961 or the Vienna Convention on Consular Relations, 1963” shall be inserted and shall be deemed always to have been inserted. 54 of 1980.

42. Amendment of section 7. — In section 7 of the Hotel-Receipts Tax Act, in sub-section (2), after the words “the end of the month in which this Act comes into force”, the words, figures and letters “or after the 27th day of February, 1982” shall be inserted.

CHAPTER IV

Indirect Taxes

Customs

43. Amendment of Act 51 of 1975. — The Customs Tariff Act, 1975 (hereinafter referred to as the Cus-

toms Tariff Act), shall be amended in the manner specified in the Second Schedule.

44. Auxiliary duties of customs. — (1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, or in that Schedule, as amended from time to time, there shall be levied and collected as an auxiliary duty of customs an amount equal to thirty per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (hereinafter referred to as the Customs Act). 52 of 1962.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1983, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act. 10 of 1897.

(3) The auxiliary duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act or any other law for the time being in force.

(4) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

45. Amendment of Act 52 of 1962. — In sub-section (1) of section 20 of the Customs Act, 1962, —

(a) in the proviso, after the words "such importation", the words "other than importation of goods produced or manufactured in a free trade zone," shall be inserted;

(b) the following *Explanations* shall be inserted at the end, namely: —

Explanation 1. — Where in respect of any goods produced or manufactured in a free trade zone, any duty leviable under this sub-section is leviable at different rates, then, such duty shall be leviable at the highest of those rates.

Explanation 2. — For the purposes of this sub-section, "free trade zone" has the same meaning as in *Explanation 2* to sub-section (1) of section 3 of the Central Excises and Salt Act, 1944. 1 of 1944.

Excise

46. Amendment of section 3. — In section 3 of the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), after sub-section (1), the following proviso and *Explanation* shall be inserted, namely: — 1 of 1944.

'Provided that the duties of excise which shall be levied and collected on

any excisable goods which are produced or manufactured in a free trade zone and brought to any other place in India shall be an amount equal to the aggregate of the duties of customs which would be leviable under section 12 of the Customs Act, 1962 on like goods produced or manufactured outside India if imported into India, and where the said duties of customs are chargeable by reference to their value, the value of such excisable goods shall, notwithstanding anything contained in any other provision of this Act, be determined in accordance with the provisions of the Customs Act, 1962 and the Customs Tariff Act, 1975. 52 of 1962. 52 of 1962. 51 of 1975.

Explanation 1. — Where in respect of any such like goods, any duty of customs leviable under the said section 12 is leviable at different rates, then, such duty shall, for the purposes of this proviso, be deemed to be leviable under the said section 12 at the highest of those rates.

Explanation 2. — In this proviso, "free trade zone" means the Kandla Free Trade Zone and the Santa Cruz Electronics Export Processing Zone and includes any other free trade zone which the Central Government may, by notification in the Official Gazette, specify in this behalf.

47. Amendment of section 4 and validation. — (1) In section 4 of the Central Excises Act, in clause (d) of sub-section (4), in sub-clause (ii), the following *Explanation* shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1975, namely: —

Explanation. — For the purposes of this sub-clause, the amount of the duty of excise payable on any excisable goods shall be the sum total of —

(a) the effective duty of excise payable on such goods under this Act; and

(b) the aggregate of the effective duties of excise payable under other Central Acts, if any, providing for the levy of duties of excise on such goods,

and the effective duty of excise on such goods under each Act referred to in clause (a) or clause (b) shall be, —

(i) in a case where a notification or order providing for any exemption (not being an exemption for giving credit with respect to, or reduction of duty of excise on such goods equal to, any duty of excise already paid on the raw material or component parts used in the production or manufacture of such goods) from the duty of excise under such Act is for the time being in force, the duty of excise computed with reference to the rate specified in such Act in respect of such goods as reduced so as to give full and complete effect to such exemption; and

(ii) in any other case, the duty of excise computed with reference to the rate specified in such Act in respect of such goods."

(2) Any action or thing taken or done or purporting to have been taken or done at any time during the period commencing on the 1st day of October,

1975 and ending with the 27th day of February, 1982 (hereafter in this sub-section referred to as the said period) under the Central Excises Act, shall be deemed to be and to have always been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times and, accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, —

(a) all duties of excise levied, assessed or collected during the said period on any excisable goods under the Central Excises Act, shall be deemed to be and shall be deemed always to have been, as validly levied, assessed or collected as if the amendment made by sub-section (1) had been in force at all material times;

(b) no suit or other proceeding shall be maintained or continued in any court for the refund of, and no enforcement shall be made by any court of any decree or order directing the refund of, any such duties of excise which have been collected and which would have been validly collected if the amendment made by sub-section (1) had been in force at all material times;

(c) refund shall be made of all such duties of excise which have been collected but which would not have been so collected if the amendment made by sub-section (1) had been in force at all material times;

(d) recovery shall be made of all such duties of excise which have not been collected or, as the case may be, which have been refunded but which would have been collected or, as the case may be, would not have been refunded, if the amendment made by sub-section (1) had been in force at all material times.

Explanation. — For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

48. **Amendment of section 37.** — In section 37 of the Central Excises Act, in sub-section (2), after clause (xvii), the following clause shall be inserted, namely: —

“(xviii) provide incentives for increased production or manufacture of any goods by way of remission of, or any concession with respect to, duty payable under this Act;”.

49. **Amendment of the First Schedule.** — The First Schedule to the Central Excises Act shall be amended in the manner specified in the Third Schedule.

50. **Special duties of excise.** — (1) In the case of goods chargeable with a duty of excise under the Central Excises Act, as amended from time to time, read with any notification for the time being in force issued by the Central Government in relation to the duty so chargeable, there shall be levied and collected a special duty of excise equal to ten per cent of the amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1983,

except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had been repealed by a Central Act. 10 of 1897.

(3) The special duties of excise referred to in sub-section (1) shall be in addition to any duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the special duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

51. **Retrospective effect for certain amendments to Central Excise Rules and validation.** — (1) The amendments made in rules 9 and 49 of the Central Excise Rules, 1944, by the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. G.S.R. 74(E) dated the 20th day of February, 1982, shall be deemed to have, and to have always had, effect on and from the date on which the Central Excise Rules, 1944 came into force.

(2) Any action or thing taken or done or purporting to have been taken or done before the 20th day of February, 1982 under the Central Excises Act and the Central Excise Rules, 1944 shall be deemed to be, and to have always been, for all purposes, as validly and effectively taken or done as if the amendments referred to in sub-section (1) had been in force at all material times and, accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, —

(a) all duties of excise levied, assessed or collected or purporting to have been levied, assessed or collected before the 20th day of February, 1982 on any excisable goods under the Central Excises Act, shall be deemed to be, and shall be deemed to have always been, as validly levied, assessed or collected as if the amendments referred to in sub-section (1) had been in force at all material times;

(b) no suit or other proceeding shall be maintained or continued in any court for the refund of, and no enforcement shall be made by any court of any decree or order directing the refund of, any such duties of excise which have been collected and which would have been validly collected if the amendments referred to in sub-section (1) had been in force at all material times;

(c) refund shall be made of all such duties of excise which have been collected but which would not have been so collected if the amendments referred to in sub-section (1) had been in force at all material times;

(d) recovery shall be made of all such duties of excise which have not been collected or, as the case may be, which have been refunded but which would have been collected or, as the case may be, would not have been refunded, if the

amendments referred to in sub-section (1) had been in force at all material times.

Explanation.—For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

52. Provisions as to duties of excise on matches in relation to a certain period and validation.—

(1) The notification of the Government of India in the Ministry of Finance (Department of Revenue) No. G.S.R. 77(E) dated the 23rd day of February, 1982, which was issued in exercise of the powers conferred by sub-rule (1) of rule 8 of the Central Excise Rules, 1944 to provide for certain exemptions from duty in relation to matches shall, subject to the modifications specified in the Fourth Schedule—

(a) be deemed to have, and to have always had, effect on and from the 19th day of June, 1980; and

(b) be deemed to prevail, and to have always prevailed, over all notifications issued on or after the 19th day of June, 1980 but before the 23rd day of February, 1982 under sub-rule (1) of the said rule 8 in relation to matches.

Explanation.—For the purposes of this section, “matches” means matches falling under Item No. 38 of the First Schedule to the Central Excises Act.

(2) Any action or thing taken or done or purported to have been taken or done on or after the 19th day of June, 1980 and before the 23rd day of February, 1982 in relation to matches, under the Central Excises Act and the Central Excise Rules, 1944, read with notifications referred in clause (b) of sub-section (1), shall be deemed to be, and to have always been, for all purposes, as validly and effectively taken or done as if the provisions of sub-section (1) had been in force at all material times and such action or thing had been taken or done under the Central Excises Act and the Central Excise Rules, 1944, read with the notification dated the 23rd day of February, 1982, referred to in sub-section (1), and, accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority,—

(a) all duties of excise levied, assessed or collected or purporting to have been levied, assessed or collected on or after the 19th day of June, 1980 and before the 23rd day of February, 1982 on matches, shall be deemed to be, and shall be deemed to have always been, as validly levied, assessed or collected as if the provisions of this section had been in force at all material times;

(b) no suit or other proceeding shall be maintained or continued in any court for the refund of, and no enforcement shall be made by any court of any decree or order directing the refund of, any such duties of excise which have been collected and which would have been validly collected if the provisions of this section had been in force at all material times;

(c) refund shall be made of all such duties of excise which have been collected but which would not have been so collected if the provisions of

this section had been in force at all material times;

(d) recovery shall be made of all such duties of excise which have not been collected or, as the case may be, which have been refunded but which would have been collected or, as the case may be, would not have been refunded, if the provisions of this section had been in force at all material times.

Explanation.—For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

53. Amendment of Act 16 of 1955.—In the Schedule to the Medicinal and Toilet Preparations (Excise Duties) Act, 1955, in Item No. 4, for the entry in the third column, the entry “One hundred per cent. *ad valorem* or rupees thirteen and twenty paise per litre of pure alcohol content, whichever is higher.” shall be substituted.

CHAPTER V

Miscellaneous

54. Amendment of Act 6 of 1898.—In the First Schedule to the Indian Post Office Act, 1898,—

(a) for the sub-headings “Letters” and “Letter-cards” and the entries under those sub-headings, the following shall be substituted, namely:—

“Letters

For a weight not exceeding ten grams	50 paise.
For every ten grams or fraction thereof, exceeding ten grams	20 paise.

Letter-cards

For a letter-card	32 paise.”;
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(b) for the sub-headings “Post cards containing printed communication”, “Book, Pattern and Sample packets” and “Registered Newspapers” and the entries under those sub-headings, the following shall be substituted, namely:—

“Post cards containing printed communication

For a post card	25 paise.
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Explanation.—A post card shall be deemed to contain a printed communication, if any matter (except the name and address of, and other particulars relating to, the sender and the place and date of despatch) is recorded by printing or by cyclostyling or by any other mechanical process, not being typewriting, on any part of the post card except the righthand half of the address-side thereof.

Book, Pattern and Sample packets

For the first fifty grams or fraction thereof	30 paise.
For every additional twenty-five grams or fraction thereof, in excess of fifty grams	15 paise.

Registered Newspapers

For a weight not exceeding fifty grams	5 paise.
For a weight exceeding fifty grams but not exceeding one hundred grams	15 paise.
For every additional one hundred grams or fraction thereof, exceeding one hundred grams	10 paise.
In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet —	

for a weight not exceeding one hundred grams	15 paise;
for every additional one hundred grams or fraction thereof, in excess of one hundred grams	10 paise:

Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office."

55. Amendment of Act 47 of 1961. — In section 30 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961, in sub-section (2), for the words "and for four accounting years following that year", the words "for that accounting year and for eight accounting years following that year" shall be substituted.

56. Amendment of Act 52 of 1963. — In section 32 of the Unit Trust of India Act, 1963, —

(1) in sub-section (1), with effect from the 1st day of April, 1983, —

(a) in clause (b), for the words "two thousand rupees", the words "three thousand rupees" shall be substituted;

(b) in clause (ba), for the words "twenty-five thousand rupees", the words "thirty-five thousand rupees" shall be substituted;

(2) in sub-section (2), in clause (c), in sub-clauses (i) and (ii), for the words "five thousand rupees", the words "seven thousand rupees" shall be substituted with effect from the 1st day of June, 1982.

57. Bank of Bhutan to be exempt from liability to pay income-tax on certain income. — Notwithstanding anything contained in the Income-tax Act, the Bank of Bhutan constituted under the Royal Charter of the Bank of Bhutan, 1968, shall not be liable to pay any income-tax on the interest accruing during the period commencing on the 1st day of January, 1972 and ending with the 31st day of December, 1986, on the deposits made by that bank with the State Bank of India constituted under the State Bank of India Act, 1955.

23 of 1955.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX AND SURCHARGE ON INCOME-TAX

*Paragraph A**Sub-Paragraph I*

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies, —

Rates of income-tax

(1) where the total income does not exceed Rs. 15,000	Nil;
(2) where the total income exceeds Rs. 15,000 but does not exceed Rs. 25,000	30 per cent. of the amount by which the total income exceeds Rs. 15,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000.	Rs. 3,000 plus 34 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000	Rs. 4,700 plus 40 per cent. of the amount by which the total income exceeds Rs. 30,000;
(5) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000	Rs. 12,700 plus 50 per cent. of the amount by which the total income exceeds Rs. 50,000;
(6) where the total income exceeds Rs. 70,000 but does not exceed Rs. 1,00,000	Rs. 22,700 plus 55 per cent. of the amount by which the total income exceeds Rs. 70,000;
(7) where the total income exceeds Rs. 1,00,000	Rs. 39,200 plus 60 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1982 exceeds Rs. 15,000, —

Rates of income-tax

(1) where the total income does not exceed Rs. 8,000	Nil;
(2) where the total income exceeds Rs. 8,000 but does not exceed Rs. 15,000	22 per cent. of the amount by which the total income exceeds Rs. 8,000;
(3) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	Rs. 1,540 plus 27 per cent. of the amount by which the total income exceeds Rs. 15,000;
(4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000	Rs. 2,890 plus 35 per cent. of the amount by which the total income exceeds Rs. 20,000;
(5) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs. 4,640 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000;
(6) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000	Rs. 6,640 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000;

(7) where the total income exceeds Rs. 50,000 Rs. 16,640 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000;

Provided that for the purposes of this Sub-Paragraph, —

(i) no income-tax shall be payable on a total income not exceeding Rs. 12,000;

(ii) where the total income exceeds Rs. 12,000 but does not exceed Rs. 17,610, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 12,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph B

In the case of every co-operative society, —

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 10,000 | 15 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,500 plus 25 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph C

Sub-Paragraph I

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies, —

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 10,000 | Nil; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 | 5 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 | Rs. 750 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 2,500 plus 15 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (5) where the total income exceeds Rs. 1,00,000 | Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Sub-Paragraph II

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income, —

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 10,000 | Nil; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 | 4 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 | Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 2,350 plus 13 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (5) where the total income exceeds Rs. 1,00,000 | Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Explanation. — For the purposes of this Paragraph, "registered firm" includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

Paragraph D

In the case of every local authority, —

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph E

In the case of a company, —

Rates of income-tax

I. In the case of a domestic company, —

(1) where the company is a company in which the public are substantially interested, —

(i) in a case where the total income does not exceed Rs. 1,00,000 45 per cent. of the total income;

(ii) in a case where the total income exceeds Rs. 1,00,000 55 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested, —

(i) in the case of an industrial company, —

(a) where the total income does not exceed Rs. 2,00,000 55 per cent. of the total income;

(b) where the total income exceeds Rs. 2,00,000 60 per cent. of the total income;

(ii) in any other case 65 per cent. of the total income;

Provided that —

(i) the income-tax payable by a domestic company, being a company in which the public are substantially

interested, the total income of which exceeds Rs. 1,00,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 1,00,000 (the income of Rs. 1,00,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) eighty per cent. of the amount by which its total income exceeds Rs. 1,00,000;

(ii) the income-tax payable by a domestic company, not being a company in which the public are substantially interested, which is an industrial company and the total income of which exceeds Rs. 2,00,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 2,00,000 (the income of Rs. 2,00,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) eighty per cent. of the amount by which its total income exceeds Rs. 2,00,000.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government

(ii) on the balance, if any, of the total income

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge calculated at the rate of two and a half per cent. of such income-tax.

PART II

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

Income-tax		
	Rate of Income-tax	Rate of surcharge

1. In the case of a person other than a company—

(a) where the person is resident in India—

(i) on income by way of interest other than "Interest on securities" 10 per cent. Nil;

Income-tax

Rate of Income-tax Rate of surcharge

(ii) on income by way of winnings from lotteries and crossword puzzles 30 per cent. 3 per cent.;

(iii) on income by way of winnings from horse races 30 per cent. 3 per cent.;

(iv) on income by way of insurance commission 10 per cent. Nil;

(v) on income by way of interest payable on 10 per cent. Nil;

(A) any security, other than a tax-free security of the Central or a State Government;

(B) any debentures or other securities for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;

(C) any debentures issued by a company where such debentures are listed in a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956, and any rules made thereunder 42 of 1956.

(vi) on any other income (excluding interest payable on a tax-free security) 20 per cent. 2 per cent.;

(b) where the person is not resident in India—

(i) on the whole income (excluding interest payable on a tax-free security) income-tax at 30 per cent. and surcharge at 3 per cent. of the amount of the income, or income-tax and surcharge on income-tax in respect of the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income, whichever is higher;

(ii) on income by way of interest payable on a tax-free security 15 per cent. 1.5 per cent.;

2. In the case of a company—

(a) where the company is a domestic company—

(i) on income by way of interest other than "Interest on securities" 20 per cent. 0.5 per cent.;

(ii) on any other income (excluding interest payable on a tax-free security) 21.5 per cent. 0.5 per cent.;

(b) where the company is not a domestic company—

(i) on income by way of dividends payable by any domestic company 25 per cent. Nil;

(ii) on income by way of royalty payable by an Indian 40 per cent. Nil;

Income-tax

	Rate of Income-tax	Rate of surcharge
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concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1976, where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern

(iii) on income by way of royalty [not being royalty of the nature referred to in sub-item (b) (ii)] payable by an Indian concern in pursuance of an agreement made by it with the Indian concern and which has been approved by the Central Government,—

(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.	1.25 per cent.;
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(B) where the agreement is made after the 31st day of March, 1976—

(1) on so much of the amount of such income as consists of lump sum consideration for the transfer outside India of, or the imparting of information outside India in respect of, any data, documentation, drawing, or specification relating to any patent, invention, model, design, secret formula or process, or trade mark or similar property	20 per cent.	Nil;
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(2) on the balance, if any, of such income	40 per cent.	Nil;
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(iv) on income by way of fees for technical services payable by an Indian concern in pursuance of an agreement made by it with the Indian concern and which has been approved by the Central Government—

(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.	1.25 per cent.;
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(B) where the agreement is made after the 31st day of March, 1976	40 per cent.	Nil;
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(v) on income by way of interest payable on a tax-free security	44 per cent.	1.1 per cent.;
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(vi) on any other income	70 per cent.	1.75 per cent.
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PART III

Rates for calculating or charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" or any payment referred to in sub-section (9) of section 80E and computing "advance tax".

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 of sub-section (2) of section 176 of the said Act or deducted under

section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" (not being "advance tax" in respect of any income chargeable to tax under Chapter XII or section 164 or section 164A or section 167A of the Income-tax Act at the rates as specified in that Chapter or section), shall be so calculated, charged, deducted or computed at the following rate or rates:—

Paragraph A

Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 15,000 | Nil; |
| (2) where the total income exceeds Rs. 15,000 but does not exceed Rs. 25,000 | 30 per cent. of the amount by which the total income exceeds Rs. 15,000; |
| (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 | Rs. 3,000 plus 34 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (4) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | Rs. 4,700 plus 40 per cent. of the amount by which the total income exceeds Rs. 30,000; |
| (5) where the total income exceeds Rs. 50,000 but does not exceed Rs. 60,000 | Rs. 12,700 plus 50 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (6) where the total income exceeds Rs. 60,000 but does not exceed Rs. 70,000 | Rs. 17,700 plus 52.5 per cent. of the amount by which the total income exceeds Rs. 60,000; |
| (7) where the total income exceeds Rs. 70,000 but does not exceed Rs. 85,000 | Rs. 22,950 plus 55 per cent. of the amount by which the total income exceeds Rs. 70,000; |
| (8) where the total income exceeds Rs. 85,000 but does not exceed Rs. 1,00,000 | Rs. 31,200 plus 57.5 per cent. of the amount by which the total income exceeds Rs. 85,000; |
| (9) where the total income exceeds Rs. 1,00,000 | Rs. 39,825 plus 60 per cent. of the amount by which the total income exceeds Rs. 1,00,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1983 exceeds Rs. 15,000,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 8,000 | Nil; |
| (2) where the total income exceeds Rs. 8,000 but does not exceed Rs. 15,000 | 22 per cent. of the amount by which the total income exceeds Rs. 8,000; |
| (3) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,540 plus 27 per cent. of the amount by which the total income exceeds Rs. 15,000; |

- (4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 Rs. 2,890 plus 35 per cent. of the amount by which the total income exceeds Rs. 20,000;
- (5) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 Rs. 4,640 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000;
- (6) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 Rs. 6,640 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000;
- (7) where the total income exceeds Rs. 50,000 Rs. 16,640 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000;

Provided that for the purposes of this Sub-Paragraph,—

(i) no income-tax shall be payable on a total income not exceeding Rs. 12,000;

(ii) where the total income exceeds Rs. 12,000 but does not exceed Rs. 17,610, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 12,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 10,000 15 per cent. of the total income;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 Rs. 1,500 plus 25 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 20,000 Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph C

Sub-Paragraph I

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 10,000 Nil;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 5 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 750 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 2,500 plus 15 per cent. of the amount by which the total income exceeds Rs. 50,000;
- (5) where the total income exceeds Rs. 1,00,000 Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be

increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Sub-Paragraph II

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 10,000 Nil;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 4 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 2,350 plus 13 per cent. of the amount by which the total income exceeds Rs. 50,000;
- (5) where the total income exceeds Rs. 1,00,000 Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Explanation.—For the purposes of this Paragraph, "registered firm" includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company,—

(1) where the company is a company in which the public are substantially interested,—

(i) in a case where the total income does not exceed Rs. 1,00,000 45 per cent. of the total income;

(ii) in a case where the total income exceeds Rs. 1,00,000 55 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested,—

(i) in the case of an industrial company,—

(a) where the total income does not exceed Rs. 2,00,000 55 per cent. of the total income;

(b) where the total income exceeds Rs. 2,00,000 60 per cent. of the total income;

(ii) in any other case 65 per cent. of the total income;

Provided that—

(i) the income-tax payable by a domestic company, being a company in which the public are substantially interested, the total income of which exceeds Rs. 1,00,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 1,00,000 (the income of Rs. 1,00,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) eighty per cent. of the amount by which its total income exceeds Rs. 1,00,000;

(ii) the income-tax payable by a domestic company, not being a company in which the public are substantially interested, which is an industrial company and the total income of which exceeds Rs. 2,00,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 2,00,000 (the income of Rs. 2,00,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) eighty per cent. of the amount by which its total income exceeds Rs. 2,00,000.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976.

and where such agreement has, in either case, been approved by the Central Government 50 per cent;

(ii) on the balance, if any, of the total income 70 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge calculated at the rate of two and a half per cent. of such income-tax.

PART IV

[See section 2(7)(e)]

Rules for Computation of Net Agricultural Income

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from other sources" and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A

therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 34, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43 and 43A of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of the said section 23 shall apply subject to the modifications that the references to "total income" therein shall be construed as references to net agricultural income and that the words, figures and letter "and before making any deduction under Chapter VIA" shall be omitted.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—When the assessee is a partner of a registered firm or an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act, which in the previous year has any agricultural income, or is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of the said section 183 and which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an unregistered firm but has any agricultural income, then, the agricultural income or loss of the firm shall be computed in accordance with these rules and his share in the agricultural income or loss of the firm shall be computed in the manner laid down in sub-section (1), sub-section (2), and sub-section (3) of section 67 of the Income-tax Act and the share so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income, then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 7.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of section 183 of the Income-tax Act or is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the firm, association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 8.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 9.—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1982, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1974 or the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1974, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1975, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1976, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1977, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1978, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981.

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1982.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1983 or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April,

1974 or the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982, is a loss, then, for the purposes of sub-section (6) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1974, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1975 or the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1975, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1976 or the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1976, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1977, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1978, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981 or the 1st day of April, 1982,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1982, and

(ix) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1982,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, or the period aforesaid.

(3) Where a change has occurred in the constitution of a firm, nothing in sub-rule (1) or sub-rule (2) shall entitle the firm to set off so much of the loss proportionate to the share of a retired or deceased partner computed in the manner laid down in sub-section (1), sub-section (2) and sub-section (3) of section 67 of the Income-tax Act as exceeds his share of profits, if any, of the previous year in the firm, or entitle any partner to the benefit of any

portion of the said loss (computed in the manner aforesaid) which is not apportionable to him.

(4) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(5) Notwithstanding anything contained in this rule, no loss which has not been determined by the Income-tax Officer under the provisions of these rules or the rules contained in Part IV of the First Schedule to the Finance Act, 1974, 20 of 1974, or of the First Schedule to the Finance Act, 1975, or of the First Schedule to the Finance Act, 1976, or of the First Schedule to the Finance (No. 2) Act, 1977, or of the Schedule 29 of 1977, to the Finance Act, 1978, or of the First Schedule to the Finance Act, 1979, or of the First Schedule to the Finance (No. 2) Act, 1980, or 44 of 1980, or of the First Schedule to the Finance Act, 1981, 16 of 1981, shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 10.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be nil.

Rule 11.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 12.—For the purposes of computing the net agricultural income of the assessee, the Income-tax Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

(See section 43)

PART I

In the First Schedule to the Customs Tariff Act,—

(i) in Chapter 27,—

(1) for Note 5, the following Note shall be substituted, namely:—

"5. "Flash point" shall be determined in accordance with the tests prescribed in this behalf in the rules made under the Petroleum Act, 1934 (30 of 1934).";

(2) after Note 6, the following Note shall be inserted, namely:—

"7. "Carbon residue" and "colour comparison test" shall be determined or done in the manner prescribed in this behalf by the Central Government by notification in the Official Gazette.";

(3) in Heading No. 27.10,—

(a) in sub-heading No. (2), in column (2), for the words and figures "which has its flashing point below 24.4° Centigrade", the words and figures "which has its flash point below 25° Centigrade" shall be substituted;

(b) in sub-heading No. (3), in column (2), for the words "which has a smoke point of twenty millimetres or more", the words "which has a smoke point of eighteen millimetres or more" shall be substituted;

(c) in sub-heading No. (5), in column (2),—

(1) the words "and vaporising oil" shall be omitted;

(2) for the words and figures "which has its flashing point at or above 24.4° Centigrade", the words and figures "which has its flash point at or above 25° Centigrade" shall be substituted;

(3) for clauses (i) and (ii), the following clauses shall be substituted, namely:—

(i) the oil has a smoke point of 10 millimetres or more but less than 20 millimetres, or

(ii) the oil has a smoke point of less than 10 millimetres but has a viscosity of less than 50 seconds by Redwood I Viscometer at 37.8° Centigrade and satisfies the following conditions:

(a) leaves carbon residue of less than ¼ per cent. by weight when tested by Ramsbottom Carbon Residue Apparatus, and

(b) is lighter in colour than 0.04 Normal Iodine solution when tested by colour comparison test.";

(d) in sub-heading No. (6), in column (2),—

(1) for clauses (i) to (iii), the following clauses shall be substituted, namely:—

"(i) has its flash point at or above 66° Centigrade,

(ii) has a smoke point of less than 10 millimetres,

(iii) leaves carbon residue of not less than ¼ per cent. by weight when tested by Ramsbottom Carbon Residue Apparatus,

(iv) is as dark as, or darker than, 0.04 Normal Iodine solution when tested by colour comparison test, and";

(2) clause (iv) shall be renumbered as clause (v);

(e) in sub-heading No. (7), in column (2),—

(1) for clauses (i) to (iii), the following clauses shall be substituted, namely:—

"(i) has its flash point at or above 66° Centigrade,

(ii) has a smoke point of less than 10 millimetres,

(iii) leaves carbon residue of not less than ¼ per cent. by weight when tested by Ramsbottom Carbon Residue Apparatus,

(iv) is as dark as, or darker than, 0.04 Normal Iodine solution when tested by colour comparison test, and";

(2) clause (iv) shall be renumbered as clause (v);

(f) in sub-heading No. (8), in column (2), for the words "flashing point", the words "flash point" shall be substituted;

(g) in sub-heading No. (9), in column (2), for the words "flashing point", the words "flash point" shall be substituted;

(ii) in Heading No. 32.04/12,—

(1) in sub-heading No. (1), for the entry in column (3), the entry "150%" shall be substituted;

(2) in sub-heading No. (2), for the entry in column (3), the entry "150%" shall be substituted;

(3) in sub-heading No. (3), for the entry in column (3), the entry "100%" shall be substituted;

(4) in sub-heading No. (4), for the entry in column (3), the entry "100%" shall be substituted;

(5) in sub-heading No. (5), for the entry in column (3), the entry "100%" shall be substituted;

(6) in sub-heading No. (6) for the entry in column (3), the entry "100%" shall be substituted;

(7) in sub-heading No. (7), for the entries in columns (3) and (4), the entries "100%" and "90%" shall, respectively, be substituted;

(iii) in Heading No. 39.01/06, for the entry in column (3), the entry "150%" shall be substituted;

(iv) in Heading No. 45.01/04, for the entry in column (3), the entry "60%" shall be substituted;

(v) in sub-heading No. (2) of Heading No. 48.01/21, for the entry in column (3), the entry "40% plus Rs. 1,000 per tonne" shall be substituted;

(vi) in Heading No. 73.03/05, for the entry in column (3), the entry "60%" shall be substituted;

(vii) in Heading No. 73.13,—

(1) in sub-heading No. (1), for the entry in column (3), the entry "60%" shall be substituted;

(2) in sub-heading No. (2), for the entry in column (3), the entry "60%" shall be substituted;

(viii) in sub-heading No. (2) of Heading No. 74.07/08, for the entry in column (3), the entry "100" shall be substituted;

(ix) in sub-heading No. (2) of Heading No. 79.01, for the entry in column (3), the entry "60" shall be substituted;

(x) in sub-heading No. (2) of Heading No. 84.51/55, for the entry in column (3), the entry "100%" shall be substituted;

(xi) in Heading No. 85.16, for the entry in column (3), the entry "100%" shall be substituted;

(xii) in Heading No. 85.17, for the entry in column (3), the entry "100%" shall be substituted;

(xiii) in Heading No. 85.28, for the entry in column (3), the entry "100%" shall be substituted;

(xiv) in sub-heading No. (1) of Heading No. 90.08, for the entry in column (3), the entry "100%" shall be substituted;

(xv) in Heading No. 90.13, for the entry in column (3), the entry "100%" shall be substituted;

(xvi) in sub-heading No. (2) of Heading No. 90.29, in column (2), for the words "similar semi-conductor devices or electronic microcircuits", the words "similar semi-conductor devices or light emitting diodes or electronic microcircuits" shall be substituted.

PART II

Heading No.	Sub-heading No. and description of article	Rate of duty		Duration when rates of duty are protective
		Standard	Preferential Areas	
(1)	(2)	(3)	(4)	(5)

In the First Schedule to the Customs Tariff Act, in Heading No. 29.01/45, after sub-heading No. (21), the following sub-heading shall be inserted, namely:—

"(22) Aniline (aniline oil) 100% .. .".

PART III

In the Second Schedule to the Customs Tariff Act, in Heading No. 12, for each of the entries in column (3), the entry "10%" shall be substituted.

THE THIRD SCHEDULE

(See section 49)

Item No.	Description of goods	Rate of duty
(1)	(2)	(3)

In the First Schedule to the Central Excises Act,—

(i) In Item No. 6, in the entry in the second column,—

(a) for the words "which has its flashing point below seventy-six degrees of Fahrenheit's thermometer", the words "which has its flash point below twenty-five degrees of Centigrade thermometer" shall be substituted;

(b) for *Explanation II*, the following *Explanation* shall be substituted, namely:—

Explanation II. —
"Flash point" shall be

(1)	(2)	(3)
	determined in accordance with the tests specified in this behalf in the rules made under the Petroleum Act, 1934 (30 of 1934).';	

(ii) for Item No. 7, the following Item shall be substituted, namely:—

7. KEROSENE (WHICH IS ORDINARILY USED AS AN ILLUMINANT IN OIL BURNING LAMPS), AND AVIATION TURBINE FUEL, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute) which has a smoke point of eighteen millimetres or more and has a final boiling point not exceeding three hundred degrees of Centigrade thermometer—

(i) Aviation Turbine Fuel. Five hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer.

(ii) Others. Five hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer.

Explanation I. — The expression "mineral oil" has the meaning assigned to it in *Explanation I* to Item No. 6.

Explanation II. — "Smoke point" shall be determined in the apparatus known as the Smoke Point Lamp in the manner specified in this behalf by the Central Government by notification in the Official Gazette.

Explanation III. — "Final boiling point" shall be determined in the manner specified in this behalf by the Central Government by notification in the Official Gazette;'

(iii) for Item No. 8, the following Item shall be substituted, namely:—

8. REFINED DIESEL OILS, that is to say, any mineral oil (excluding mineral colza oil and turpentine substitute), which has its flash point at or above twenty-five degrees of Centigrade thermometer, and satisfies either of the following requirements:—

(i) the oil has a smoke point of ten millimetres or more but less than twenty millimetres; or

(ii) the oil has a smoke point of less than ten millimetres but has a viscosity of less than fifty seconds by Redwood I Viscometer at 37.8 degrees of Centigrade thermometer and satisfies the following conditions:—

(a) the oil leaves carbon residue of less than 1/4 per cent by weight when tested by Ramsbottom Carbon Residue Apparatus, and

One thousand rupees per kilolitre at fifteen degrees of Centigrade thermometer.

(1)	(2)	(3)
	(b) the oil is lighter in colour than 0.04 Normal Iodine solution when tested by colour comparison test.	
	<i>Explanation I.</i> —The expressions "mineral oil" and "flash point" have the meaning respectively assigned to them in <i>Explanations I and II</i> to Item No. 6, and the expression "smoke point" has the meaning assigned to it in <i>Explanation II</i> to Item No. 7.	
	<i>Explanation II.</i> —"Carbon residue" and "colour comparison test" shall be determined or done in the manner specified in this behalf by the Central Government by notification in the Official Gazette.	
	<i>Explanation III.</i> —This Item does not include—	
	(a) base mineral oils (suitable for use in the manufacture of lubricating oils and greases), including mineral oils commonly known as Transformer oil base stock or Transformer oil feed stock; and	
	(b) lubricating oils including spindle oils, flushing oils and jute batching oils;'	
	(iv) for Item No. 9, the following Item shall be substituted, namely:—	
9. DIESEL OIL, NOT OTHERWISE SPECIFIED, that is to say, any mineral oil which—		Two hundred rupees per kilolitre at fifteen degrees of Centigrade thermometer.
	(i) has a smoke point of less than ten millimetres,	
	(ii) possesses a viscosity of less than one hundred seconds by Redwood I Viscometer at 37.8 degrees of Centigrade thermometer,	
	(iii) leaves carbon residue of not less than $\frac{1}{4}$ per cent. by weight when tested by Ramsbottom Carbon Residue Apparatus, and	
	(iv) is as dark as, or darker than, 0.04 Normal Iodine solution when tested by colour comparison test.	
	<i>Explanation.</i> —The expressions "mineral oil" and "smoke point" have the meanings respectively assigned to them in <i>Explanation I</i> to Item No. 6 and <i>Explanation II</i> to Item No. 7, and the expressions "carbon residue" and "colour comparison test" have the meanings assigned to them in <i>Explanation II</i> to Item No. 8;'	
	(v) for Item No. 10, the following Item shall be substituted, namely:—	
10. FURNACE OIL, that is to say, any mineral oil which—		One hundred and fifty rupees per kilolitre at fifteen degrees of Centi-

(1)	(2)	(3)
	(i) has a smoke point of less than ten millimetres,	
	(ii) possesses a viscosity of one hundred seconds or more by Redwood I Viscometer at 37.8 degrees of Centigrade thermometer,	
	(iii) leaves carbon residue of not less than $\frac{1}{4}$ per cent. by weight when tested in Ramsbottom Carbon Residue Apparatus, and	
	(iv) is as dark as, or darker than, 0.04 Normal Iodine solution when tested by colour comparison test.	
	<i>Explanation I.</i> —The expressions "mineral oil" and "smoke point" have the meanings respectively assigned to them in <i>Explanation I</i> to Item No. 6 and <i>Explanation II</i> to Item No. 7, and the expressions "carbon residue" and "colour comparison test" have the meanings assigned to them in <i>Explanation II</i> to Item No. 8.	
	<i>Explanation II.</i> —This Item does not include—	
	(a) base mineral oils suitable for use in the manufacture of lubricating oils and greases; and	
	(b) lubricating oils including axle oil;'	
	(vi) for Item No. 11, the following Item shall be substituted, namely:—	
11. COOL (EXCLUDING LIGNITE) AND COKE ALL SORTS, INCLUDING CALCINED PETROLEUM COKE; ASPHALT, BITUMEN AND TAR—		
	(1) Coal and coke not elsewhere specified.	Ten rupees per metric tonne.
	(2) Petroleum coke, other than calcined petroleum coke.	Twenty per cent. <i>ad valorem</i> plus two thousand rupees per metric tonne.
	(3) Calcined petroleum coke.	Twenty per cent. <i>ad valorem</i> .
	(4) Asphalt and bitumen (including cutback bitumen and asphalt) natural or produced from petroleum or shale.	Two hundred rupees per metric tonne;'
	(5) Tar distilled from coal or lignite and other mineral tars, including partially distilled tars and blends of pitch with creosote oils or with other coal tar distillation products.	One hundred rupees per metric tonne;'
	(vii) for Item No. 11A, the following Item shall be substituted, namely:—	
11A. ALL PRODUCTS DERIVED FROM REFINING OF CRUDE PETROLEUM OR SHALE (WHETHER LIQUID, SEMISOLID OR SOLID IN FORM), NOT OTHERWISE SPECIFIED,		

grade thermometer.

(1)	(2)	(3)	(1)	(2)	(3)
INCLUDING LUBRICATING OILS AND GREASES AND WAXES —			fusion (run gums); artificial resins obtained by esterification of natural resins or of resinic acids (ester gums); chemical derivatives of natural rubber (for example, chlorinated rubber, rubber hydrochloride, oxidised rubber, cyclised rubber); other high polymers, artificial resins and artificial plastic materials, including alginic acid, its salts and esters; linoxyn.		
(1) Mineral turpentine oil.		Twenty per cent. <i>ad valorem</i> plus four hundred rupees per metric tonne.	(2) Articles of materials described in sub-item (1), the following, namely:—		
(2) Waxes.		Twenty per cent. <i>ad valorem</i> plus six hundred rupees per metric tonne.	Boards, sheeting, sheets and films, whether lacquered or metallised or laminated or not; lay flat tubings not containing any textile material.	Fifty per cent. <i>ad valorem</i> .	
(3) (a) Base mineral oils (suitable for use in the manufacture of lubricating oils and greases), including mineral oils commonly known as Transformer oil base stock or Transformer oil feed stock;		Three thousand and five hundred rupees per metric tonne.	(3) Polyurethane foam.	Seventy-five per cent. <i>ad valorem</i> .	
(b) Lubricating oils (including spindle oils, flushing oils, jute batching oils and axle oil) and lubricating greases.		Three thousand and five hundred rupees per metric tonne.	(4) Articles made of polyurethane foam.	Seventy-five per cent. <i>ad valorem</i> .	
(4) Others.		Twenty per cent. <i>ad valorem</i> plus two thousand rupees per metric tonne.”;	<i>Explanation I.</i> — Sub-Item (1) does not include,—		
(viii) after Item No. 11A, the following Item shall be inserted, namely:—			(i) polyurethane foam;		
“11AA. PETROLEUM GASES —			(ii) artificial waxes;		
(1) Liquified petroleum gases.		Four hundred rupees per metric tonne.	(iii) starches (including dextrin and other forms of modified starches).		
(2) Other petroleum gases and gaseous hydrocarbons derived from refining of crude petroleum or shale.		Twenty per cent. <i>ad valorem</i> plus two thousand rupees per metric tonne.”;	<i>Explanation II.</i> — In sub-Item (1), “condensation, polycondensation, polyaddition, polymerisation and co-polymerisation products” are to be taken to apply only to goods of a kind produced by chemical synthesis answering to one of the following descriptions:—		
(ix) Item No. 11C shall be omitted;			(a) artificial plastics, including artificial resins;		
(x) Item No. 11D shall be omitted;			(b) silicones;		
(xi) for Item No. 15A, the following Item shall be substituted, namely:—			(c) resols, liquid polyisobutylene, and similar artificial polycondensation or polymerisation products.		
“15A. ARTIFICIAL OR SYNTHETIC RESINS AND PLASTIC MATERIALS; AND OTHER MATERIALS; AND ARTICLES SPECIFIED BELOW —			<i>Explanation III.</i> — Sub-Item (1) is to be taken to apply to materials in the following forms only:—		
(1) Condensation, polycondensation and polyaddition products, whether or not modified or polymerised, and whether or not linear (for example, phenoplasts, amino-plasts, alkyds, polyallyl esters and other unsaturated polyesters, silicones); polymerisation and co-polymerisation products (for example, polyethylene, polytetrahaloethylenes, polyisobutylene, poly-styrene, polyvinyl chloride, polyvinyl acetate, polyvinyl chloroacetate and other polyvinyl derivatives, polyacrylic and polymethacrylic derivatives, coumaroneindene resins); regenerated cellulose, cellulose nitrate, cellulose acetate and other cellulose esters, cellulose ethers and other chemical derivatives of cellulose, plasticised or not (for example, collodions, cellu-loid); vulcanised fibre; hardened proteins (for example, hardened casein and hardened gelatin); natural resins modified by		Fifty per cent. <i>ad valorem</i> .	(a) liquid or pasty (including emulsions, dispersions and solutions);		
			(b) blocks, lumps, powders (including moulding powders), granules, flakes and similar bulk forms;		
			(c) waste and scrap.”;		
			(xii) Item No. 15B shall be omitted;		
			(xiii) Item No. 15BB shall be omitted;		
			(xiv) In Item No. 16A, after sub-Item (1), the following <i>Explanation</i> shall be inserted, namely:—		
			“ <i>Explanation.</i> — This sub-Item includes articles made of latex foam sponge”;		
			(xv) for Item No. 16B, the following Item shall be substituted, namely:—		
			“16B. WOOD AND ARTICLES OF WOOD, THE FOLLOWING, NAMELY:—	Thirty per cent. <i>ad valorem</i> .	
			PLYWOOD, BLOCK BOARD (INCLUDING FLUSH		

(1)	(2)	(3)	(1)	(2)	(3)
	DOORS), LAMIN-BOARD, BATTEN BOARD, HARD OR SOFT WALL BOARDS OR INSULATING BOARD AND VENEERED PANEL, WHETHER OR NOT CONTAINING ANY MATERIAL OTHER THAN WOOD; CELLULAR WOOD PANELS BUILDING BOARDS OF WOOD PULP OR OF VEGETABLE FIBRE, WHETHER OR NOT BONDED WITH NATURAL OR ARTIFICIAL RESINS OR WITH SIMILAR BINDERS; ARTIFICIAL OR RECONSTITUTED WOOD BEING WOOD SHAVINGS, WOOD CHIPS, SAWDUST, WOOD FLOUR OR OTHER LIGNEOUS WASTE AGGLOMERATED WITH NATURAL OR ARTIFICIAL RESINS OR OTHER ORGANIC BINDING SUBSTANCES, IN SHEETS, BLOCKS, BOARDS OR THE LIKE; AND IMPROVED WOOD, ALL SORTS, WHETHER IN SHEETS, BLOCKS OR IN ANY OTHER FORM, INCLUDING ARTICLES OF IMPROVED WOOD.			(b) Others.	Thirty-two and a half per cent. <i>ad valorem</i> .
				(3) Carbon and other copying papers (including duplicator stencils) and transfer papers, whether or not cut to size and whether or not put up in boxes.	Thirty-two and a half per cent. <i>ad valorem</i> .
				(4) Boxes, cartons, bags and other packing containers (including flattened or folded boxes and flattened or folded cartons), whether not printed and whether in assembled or unassembled condition.	Thirty-two and a half per cent. <i>ad valorem</i> ."
				(xvii) in sub-Item III of Item No. 18, in the second column, for entries (i) and (ii), the following entries shall be substituted, namely:—	
				"(i) not containing any man-made fibres of non-cellulosic origin;	
				(ii) containing man-made fibres of non-cellulosic origin."	
				(xviii) in Item No. 18A, in the second column, for entries (i) and (ii), the following entries shall be substituted, namely:—	
				"(i) not containing any man-made fibres of non-cellulosic origin;	
				(ii) containing man-made fibres of non-cellulosic origin."	
				(xix) in Item No. 23, for the entry in the third column against sub-item (1), the entry "Two hundred rupees per metric tonne." shall be substituted;	
				(xx) in Item No. 23A, for the entry in the third column against sub-item (1), the entry "Thirty-five per cent. <i>ad valorem</i> plus five rupees and fifty paise per millimetre thickness per square metre." shall be substituted;	
				(xxi) in Item No. 26B, for the entries in the third column against sub-Items (1), (1a), (2), (2a) and (3) the entries "Three thousand two hundred and seventy-five rupees per metric tonne.", "Three thousand two hundred and seventy-five rupees per metric tonne.", "Three thousand eight hundred rupees per metric tonne.", "Four thousand seven hundred and fifty rupees per metric tonne." and "Forty-five per cent. <i>ad valorem</i> ." shall respectively be substituted;	
				(xxii) in Item No. 27, for each of the entries in the third column, the entry "Fifty per cent. <i>ad valorem</i> plus four thousand rupees per metric tonne." shall be substituted;	
				(xxiii) in Item No. 27A, for each of the entries in the third column against sub-Items (1) and (2), the entry "Eight hundred and forty rupees per metric tonne." shall be substituted;	
				(xxiv) in Item No. 30, after <i>Explanation II</i> , the following <i>Explanation</i> shall be inserted, namely:—	
				" <i>Explanation III</i> .— This Item includes motors equipped with gears or gear boxes."	
				(xxv) after Item No. 37B, the following Item shall be inserted, namely:—	
"17. PAPER AND PAPER BOARD, ALL SORTS (including pasteboard, millboard, strawboard, cardboard and corrugated board), AND ARTICLES THEREOF SPECIFIED BELOW, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power —					
(1) Uncoated and coated printing and writing paper (other than poster paper).		Twenty-five per cent. <i>ad valorem</i> .			
(2) Paper board and all other kinds of paper (including paper or paper boards which have been subjected to various treatments such as coating, impregnating, corrugation, creping and design printing), not elsewhere specified —					
(a) All sorts of paper commonly known as kraft paper, including paper and paper board of the type known as Kraft liner or corrugating medium, of a substance equal to or exceeding 65 grams per square metre in each case.		Forty percent <i>ad valorem</i> .			
			"37BB. TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS (INCLUDING VIDEO CASSETTE RECORDERS AND REPRODUCERS AND VIDEO CASSETTE DECKS);		Twenty-five per cent. <i>ad valorem</i> ."

(1)	(2)	(3)	(1)	(2)	(3)
WHETHER OR NOT IN COMBINATION WITH ONE OR MORE OF THE FOLLOWING:—					
(i) TELEVISION SETS,			(2) Sound recorded magnetic tapes of width not exceeding 6.5 millimetres, whether in spools or in reels.	Twenty-five per cent. <i>ad valorem</i> .	
(ii) RADIOS (INCLUDING TRANSISTOR SETS),			(3) Cassette tapes for sound recording.	Twenty-five per cent. <i>ad valorem</i> .	
(iii) TELEVISION CAMERAS (INCLUDING VIDEO CAMERAS).			(4) Sound recorded cassette tapes.	Twenty-five per cent. <i>ad valorem</i> .	
(xxvi) after Item No. 37C, the following Item shall be inserted namely:—			(5) Prepared media for television image and sound recording such as video tapes and video discs.	Twenty-five per cent. <i>ad valorem</i> .	
"37CC. TELEVISION CAMERAS (INCLUDING VIDEO CAMERAS).	Twenty-five per cent. <i>ad valorem</i> ."		(6) Television image and sound recorded media such as video tapes and video discs.	Twenty-five per cent. <i>ad valorem</i> ."	
(xxvii) for Item No. 39, the following Item shall be substituted namely:—			THE FOURTH SCHEDULE (See section 52) Modifications to the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. G. S. R. 77(E), dated the 23rd day of February, 1982. (1) The opening paragraph of the notification shall have effect as if— (I) with respect to any period before the 1st day of April, 1981,— (a) for the figures "120", the figures "93.50" had been substituted, and (b) for the figures "150" occurring for the first time, the figures "116.65" had been substituted; and (II) with respect to any period before the 1st day of January, 1982, clause (i) had been omitted. (2) The first proviso to the notification shall not have effect with respect to any period before the 1st day of October, 1981 and the said notification shall have effect with respect to any period before the 1st day of October, 1981 as if it contained the following proviso in place of the said first proviso, namely:— "Provided that,— (a) in the case of matches packed in boxes in which both the outer slide as well as the inner slide are made of card board, the amount of exemption shall be increased by sixty paise per gross of boxes; (b) in the case of matches packed in boxes in which the inner slide alone is made of card board, the amount of exemption shall be increased by twenty-four paise per gross of boxes; (c) the amount of exemption shall be increased, or further increased, as the case may be, by fifty paise per gross of boxes if bamboo is used for the splints or for both splints and veneers; (d) if the splints of such matches are made of bamboo and the matches are packed in boxes of 40 matches, the rate of duty shall be four-fifths of the rate applicable to matches of identical description produced in the same factory but packed in boxes of 50 matches and if such packing in boxes of 50 matches is not done, it shall be four-fifths of the notionally determined rate for matches packed in boxes of 50 matches." (3) The second proviso and clauses (f) and (g) of the Explanation to the notification shall not have effect with respect to any period before the 1st day of October, 1981. (4) Clauses (c), (d) and (e) of the Explanation to the notification shall not have effect with respect to any period before the 1st day of April, 1981.		
39. LIGHTERS, NOT ELSEWHERE SPECIFIED.	Three rupees per lighter."				
"Lighter" means any mechanical, chemical, electrical or electronic (containing piezo-electric materials) contrivance for causing ignition, which is portable and which operates by producing a spark or flame whether by itself or when brought into contact with gas, and includes a lighter issued from a factory in an incomplete state or requiring for its completion the addition of a flint.					
(xxviii) after Item No. 46, the following Item shall be inserted, namely:—					
47. ELECTRONIC MACHINES FOR GAMES OF SKILL OR CHANCE (INCLUDING ELECTRONIC MACHINES USED FOR TELEVISION GAMES AND VIDEO GAMES).	Forty per cent. <i>ad valorem</i> .				
Explanation. — "Electronic machines" means machines and apparatus containing thermionic valves or transistors or similar semi-conductor devices or light emitting diodes or electronic micro-circuits or capacitors other than paper capacitors;.					
(xxix) after Item No. 58, the following Item shall be inserted, namely:—					
59. ARTICLES OF A KIND USED FOR SOUND OR SOUND AND IMAGE RECORDING, WHETHER RECORDED OR NOT, NAMELY:—					
(1) Magnetic tapes of width not exceeding 6.5 millimetres for sound recording, whether in spools or in reels.	Twenty-five per cent. <i>ad valorem</i> .				